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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

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Division Director

October 26, 2007

Mr. Jack Welsh, Treasurer
Kennecott Utah Copper Corporation
P.O. Box 6001
Magna, Utah 84044-6001

Subject: Approved New Reclamation Contract and Addendum, Kennecott Utah Copper Corporation, 4th Line Expansion and Copperton Concentrator Modernization Project, M/035/011, Salt Lake County, Utah

Dear Mr. Welch:

The new Large Mine Reclamation Contract and Addendum #1 have been executed. This contract replaces all earlier version project specific reclamation contracts under permit number M/035/011. Please find enclosed, the original superseded contracts for the 4th Line Expansion and UCD Modernization, a copy of the replacement approved reclamation contract/surety, and copies of the approved surety.

The surety total associated with permit number M/035/011 is US\$23,904,400.00.

If you have questions or concerns regarding the content of this letter, please contact Mr. Jed Pearson, Surety Coordinator, at 801-538-5382. Thank you for completing this regulatory requirement.

Sincerely,

Susan M. White
Mining Coordinator
Minerals Regulatory Program

SMW:BE:pb

Enclosure: copy new large mine reclamation contract/surety, superseded original MRRC for UCD Modernization and 4thLine Expansion, copy loc 96736/80085, copy loc LCA06110400820NY, copy ST Paul Fire & Marine Surety Bond

Cc: Jed Pearson, bond coordinator w/o enclosures

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